

PM-USA WEEKLY PERFORMANCE SUMMARY

WEEKLY INTEGRATED NIELSEN - W/E 9/3/94

ALL OUTLETS COMBINED:

- PM's share (46.5%) declined -0.1 point versus week-ago (following three consecutive week-to-week gains), while advancing (+0.1) on a four week basis (its first positive four week performance since week ending June 25). Week-to-week losses by Marlboro, Cambridge and PM's PL's more than offset Basic's increase, while on a four week basis, Marlboro's advance was partially offset by Discount declines.
- Marlboro's weekly share (29.3%) was off -0.1 point from last week's record level, while the franchise's four week performance advanced +0.3 points to 29.2% (its highest level to date).
- PM OPB's share was stable on both a weekly (8.9%) and four week (8.8%) basis. PM Discount's weekly share was stable, while four week performance was off -0.2 points versus four weeks ago to 8.4% (its lowest level since October 1992), primarily driven by Cambridge and PM PL.
- Following three consecutive week-to-week losses, RJR's share (28.8%) gained +0.2 points versus week-ago (primarily driven by PL's), while up +0.1 point on a four week basis (with Doral accounting for the majority of the gain).
- The Discount category's weekly share was stable at 30.9% (matching its lowest level this year), with gains by PL's (primarily RJR) and Basic offsetting Monarch, GPC and Cambridge declines. The category's four week performance was off -0.3 points versus four weeks-ago to 31.0% (its lowest level since August 1992).

CONVENIENCE STORES:

- PM's weekly share declined -0.1 point versus week-ago to 48.3%, as a gain by Basic was more than offset by a -0.1 point decline by Cambridge as well as more moderate declines by most of the other franchises, including Marlboro.
 - Cambridge free product incidence (primarily B3G2F) declined to 13%, -3 points below its peak with share declining to 1.3%, its lowest level since introduction of the B3G2F promotion.
 - Basic's incentive incidence gained +1 point to 12% of c-stores, reflecting continued implementation of 2 pack with auto accessory offer.
 - On a four week basis, PM's share increased +0.25 points to 48.3%, its highest level to date, with Marlboro accounting for all of the gain.
- Marlboro's weekly share was down -0.1 point versus week-ago to 32.6%, while the franchise's four week share advanced +0.5 points versus the prior four week period to 32.4%, its highest level to date.
 - Marlboro incentive incidence gained +2 points to 16% of c-stores this week, primarily reflecting implementation of the Country Store T-shirt with 5 pack promotion (11% of stores).
 - Marlboro Menthol B1G1F incidence declined for the first time since introduction in both Regions 1 (11% of c-stores, down -1 point) and 4 (17%, -7 points).
 - Marlboro Menthol weekly share remained relatively stable at its peak level of 1.3%.
- RJR's share was 27.9% on both a weekly (+0.2 points) and four week (unchanged) basis. The weekly advance was driven by RJR PLs and Winston Select
 - Select B3G3F incidence expanded for the third consecutive week to 16%.
 - Camel incentive incidence expanded to 25% of c-stores.
- The Discount Category's weekly share was unchanged week-to-week at 31.6%, while on a four week basis the category declined -0.3 points to 31.7%, with Private Labels (RJR and PM) accounting for the majority of the decline.
 - Misty's weekly share remained at its highest level to date (1.1%), with the brand's B1G1F activity emerging in 10% of stores.

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BENCHMARKS

NIELSEN DATA W/E 9/3/94

ALL OUTLETS COMBINED:

- All benchmarks are favorable with the exception of OPB, B&H and Basic Share of Discount.

BENCHMARKS - TOTAL US					
WEEKLY INTEGRATED NIELSEN - ALL OUTLET COMBINED					
	<u>Target</u>	<u>Benchmarks*</u>	<u>4 w/e 3-Sep</u>	<u>Current vs. Benchmark</u>	
Philip Morris	44.3	44.5 (lower limit)	46.5	2.0	Favorable
Marlboro	25.7	26.3 (lower limit)	29.2	2.9	Favorable
OPB	8.8	8.9 (lower limit)	8.8	0.1	Unfavorable
Virginia Slims	2.7	2.7 (lower limit)	2.9	0.2	Favorable
Benson & Hedges	2.5	2.5 (lower limit)	2.4	0.1	Unfavorable
Merit	2.8	2.8 (lower limit)	2.8	0.0	Favorable
Parliament	0.6	0.6 (lower limit)	0.6	0.0	Favorable
Basic Shr. of Discount	15.1	14.5 (lower limit)	14.4	0.1	Unfavorable
Discount Category	34.5	+2.0 Pts. (upper limit)**	31.0	3.5	Favorable
Private Label	8.5	9.0 (upper limit)	7.0	2.0	Favorable

* Revised to reflect 1994 First Revised Forecast.

** Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.5%.

CONVENIENCE STORES:

- All benchmarks are favorable with the exception of Other Premium Brands, B&H, Basic share of Discount, Lowest Discount Price and Absolute Price Gap.

BENCHMARKS - TOTAL US					
NIELSEN WEEKLY C-STORE AUDITS					
	<u>Benchmarks</u>	<u>4 w/e 3-Sep</u>	<u>Current vs. Benchmark</u>		
Philip Morris	45.2 (lower limit)	48.3	3.1	Favorable	
Marlboro	28.2 (lower limit)	32.4	4.2	Favorable	
OPB	7.7 (lower limit)	7.5	0.2	Unfavorable	
Virginia Slims	2.3 (lower limit)	2.3	0.0	Favorable	
Benson & Hedges	2.2 (lower limit)	2.0	0.2	Unfavorable	
Merit	2.6 (lower limit)	2.6	0.0	Favorable	
Parliament	0.4 (lower limit)	0.5	0.1	Favorable	
Basic - Shr. of Discount	16.3 (lower limit)	15.1	1.2	Unfavorable	
Discount Category	+2.0 Pts. (upper limit)*	31.7	3.2	Favorable	
Private Label	10.2 (upper limit)	8.0	2.2	Favorable	
Lowest Disc. Price **	\$1.34 (lower limit)	\$1.32	\$0.02	Unfavorable	
Absolute Price Gap ***	\$0.57 (upper limit)	\$0.61	\$0.04	Unfavorable	

* Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.9%.

** Source: Nielsen Weekly Pricing Audits (linear average)

*** Marlboro versus lowest Discount.

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